

The Case for Child Support Pass Through and Disregard

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Child Support Pass Through/Disregard

Washington Policy – Past and Present

- October 2008:
 - Implements Child Support pass through / disregard - \$100 1 child / \$200 2 or more children
 - Implements \$25 fee for “Never Assistance” cases
 - Change to Federal Tax Refund Offset to distribute first to current support

Child Support Pass Through/Disregard

Funding implications of implementing these policies

- If smaller amounts of support were assigned to the state, then there were smaller amounts of collections which could be counted as retained support
- Essentially “give up” retained support collections of up to \$100/mo or up to \$200/mo on a case where we actually collected those amounts

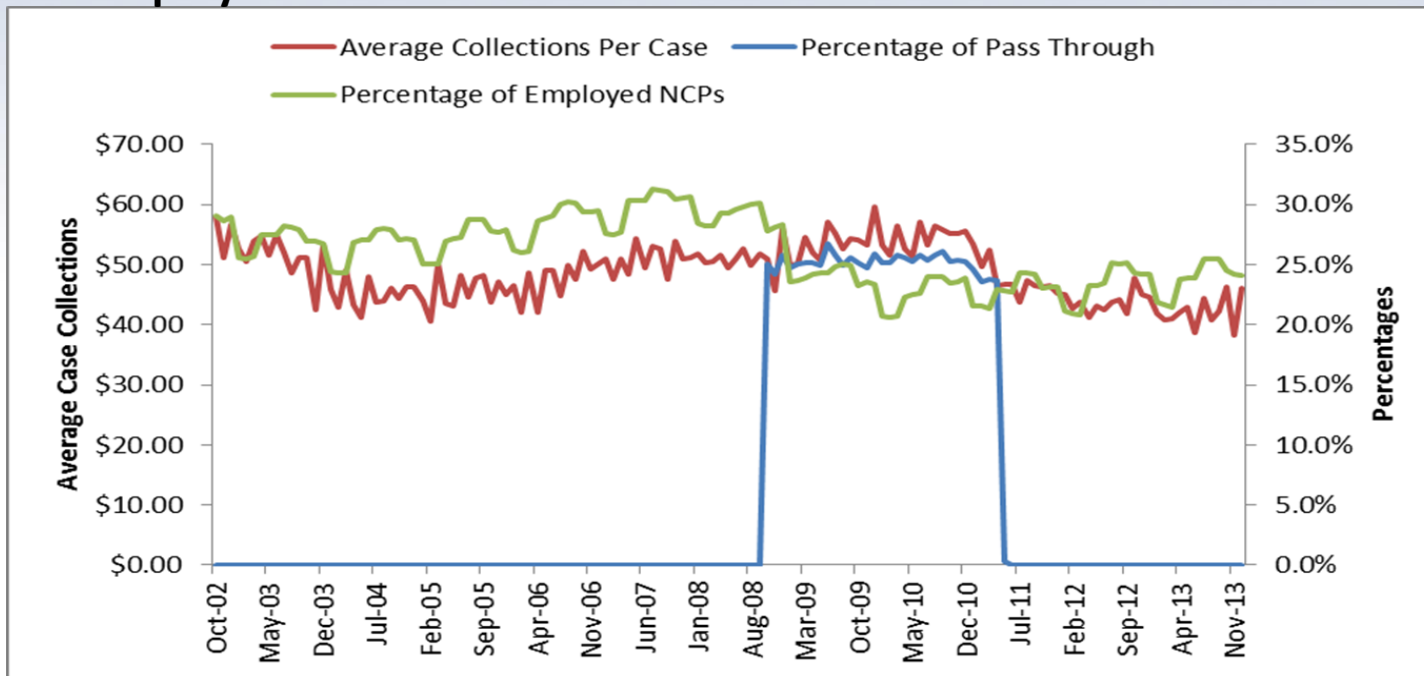
Child Support Pass Through/Disregard

- Pass through costs were between \$12.5 million and \$18.8 million
- Pass through repealed in May 2011 due to budget reductions.
- Fees for Never Assistance continue to bring in about \$1.5 mil annually.

Data on Washington's Pass-Through

- Pass-through payment added to an increase of child support payments

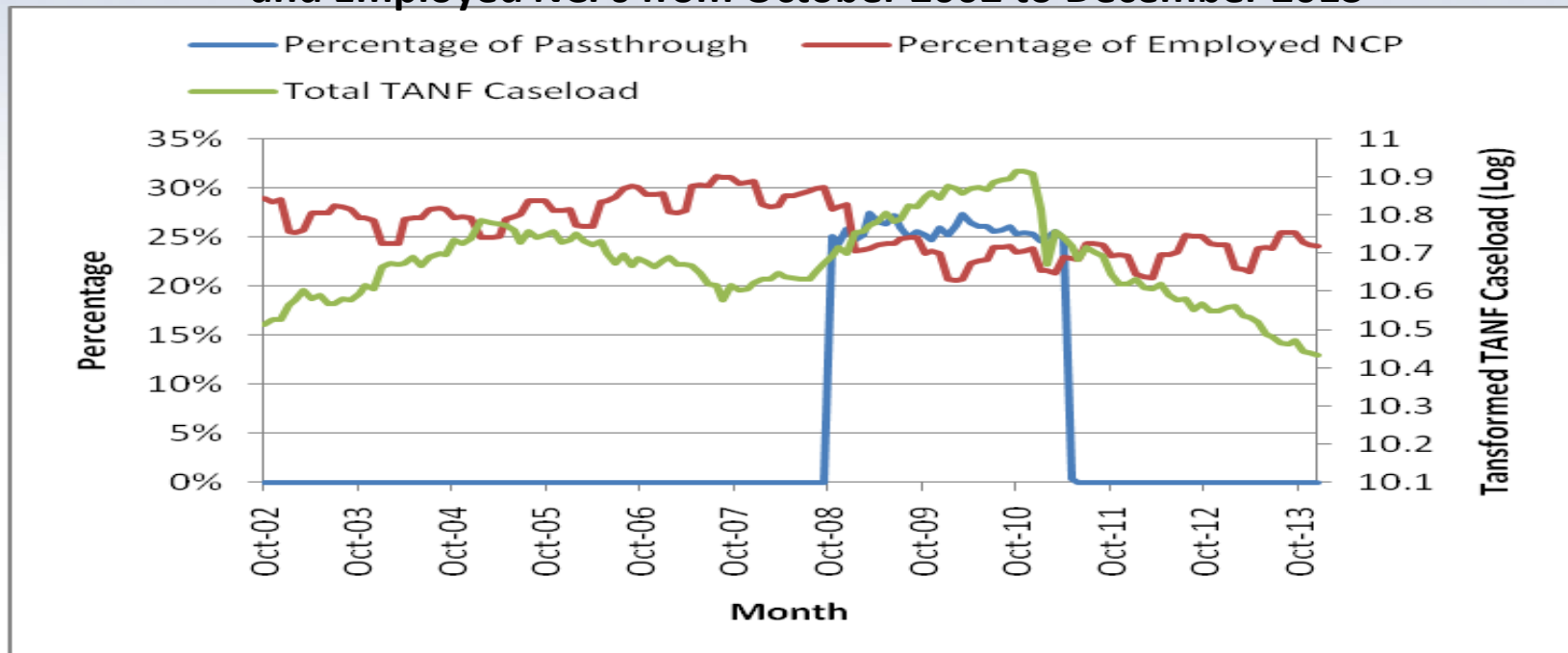
Table: Distribution of Average Case Collections, Percentage of Pass-through Cases and Employed NCPs from October 2002 to December 2013



Data on Washington's Pass-Through

- The sudden drop of employed NCPs and the pass-through payments worked together to create a historically high TANF caseload

Table: Distribution of TANF Caseload, Percentage of Pass-through Cases and Employed NCPs from October 2002 to December 2013



Child Support Pass Through/Disregard

Transforming
Lives

Return on Investment

- Increased participation with the children lead to better outcomes for those children
- Increased income to low-income families can reduce financial stresses
- Potential to connect a disconnected population to employment and training opportunities

QUESTIONS?

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